

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES  
PRIORITY MAIL EXPRESS CONTRACT 42 (MC2016-208)  
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2016-297

**RESPONSE OF UNITED STATES POSTAL SERVICE TO  
CHAIRMAN'S INFORMATION REQUEST NO. 1**  
(October 4, 2016)

The United States Postal Service hereby provides its response to Chairman's Information Request No. 1, which was issued September 30, 2016. A response was due no later than October 4, 2016. The question is reprinted verbatim in the attached, and is followed by the Postal Service's response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE  
By its attorneys:

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October 4, 2016

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**REQUEST:**

Please refer to section I.G of the contract, entitled "Additional Delivery Fees." Request, Attachment B at 2. For each delivery service listed in this section, please specify whether any adjustments were made in the cost model to account for the additional delivery services' costs. If adjustments were made to account for the additional costs, please specify the workbook tab(s) and cell(s) where this calculation is shown. If no additional costs were included and no adjustments were made to the cost model, please explain how the additional costs related to the additional delivery services are accurately reflected.

**RESPONSE:**

Existing Priority Mail Express operations already provide for delivery by 10:30 AM, as well as Sunday/Holiday delivery. As a result, the Postal Service does not expect to incur any additional costs for 10:30 AM or Sunday/Holiday delivery. Therefore, no adjustments have been made to the cost model.